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Remarks:

Attached is copy of info from Congressional
Record pertaining to the frequency of Open
Seasons for health insurance enrollments.

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Personal

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January 28, 1971

CONGRESSIONAL RECORD—SENATE

It is just this inequity that my legislation is designed to overcome. I urge early consideration and passage of this bill.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred.

The bill (S. 396) to provide for the construction of a Veterans' Administration hospital in the State of Nevada, introduced by Mr. CANNON, for himself and Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Veterans' Affairs.

S. 403—INTRODUCTION OF A BILL TO EXTEND THE KEOGH PLAN TO ALL EMPLOYEES IN AMERICA

Mr. STEVENS. Mr. President, today I am introducing a bill to amend the Internal Revenue Code to provide incentives for private individuals who are neither self-employed nor employed by an employer, either corporate or non-corporate, who provides his employees with a retirement plan. The incentive this bill would provide would be in the form of a tax incentive. The tax incentive in the plan I am proposing actually brings about an equity in the present law for persons who neither have tax-free moneys placed into a retirement fund by their employers for them nor have the option of placing a certain portion of their earnings into a pension plan without paying taxes on those moneys. This bill is a logical extension of the Keogh plan sponsored by former Congressman Keogh, of New York, and will equalize the tax treatment of income set aside for retirement by persons not now qualified for such tax treatment and income set aside for retirement by those who participate in either corporate or self-employed plans.

According to an article in the April 1968 issue of the Social Security Bulletin, private pension and deferred profit-sharing plans covered 27.6 million workers as of the end of 1967. Using the average number of workers in private employment during 1967 as a standard—54.4 million—this means some 30.8 million employees do not have any private pension coverage. It should be pointed out that 80 percent of those covered were in manufacturing, transportation, public utilities, and mining, and coverage is generally found in the case of employees of the larger employers. By contrast, a relatively small proportion of employees were protected by pension plans in the trade and service industries at least partly because of such factors as the smaller size of the business involved and the higher rate of turnover.

This bill would particularly benefit employees in my home State of Alaska. Alaska is a growing frontier area in which small business does the major share of employing. In addition, employment in Alaska is seasonal and in many cases is of marginal return to the employee and hence he cannot afford to provide pension plans and hire people at two times the rate. I feel that it is unfair to the State of Alaska not to extend the benefits of the treatment enjoyed by employees of larger employers to the rest

of the country. In addition, this plan would allow lower income employees, both in Alaska and the rest of the country, to enjoy the same tax treatment that is now enjoyed by more well-to-do employees.

It is the case that the availability of pension coverage with tax benefits becomes more probable as the individual needs it less and less and almost nonexistent for those for whom a pension plan would do the most good. I introduce this bill in hopes that its passage will extend the benefits of tax sheltered retirement plans to those who can least afford to pay taxes on money they set aside for their senior years. It is the individual who works long hours at low pay and who has the most difficult saving for the future, and it is this very group that does not have access to the same kinds of advantages that individuals in the moderately well-to-do sectors of our economy do in saving for retirement. I offer this bill in hopes that we can end these inequities.

Under the plan as I propose it, any individual who wishes to participate may set up a retirement savings plan with any financial institution subject to the approval of the Secretary of the Treasury or he may purchase retirement plan bonds from the Treasury Department as now qualified individuals are presently doing.

Mr. President, I ask unanimous consent that the bill be printed at this point in the Record.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred, and, without objection, the bill will be printed in the Record.

The bill (S. 408) to amend the Internal Revenue Code of 1954 to permit certain employees to establish qualified pension plans for themselves in the same manner as if they were self-employed, introduced by Mr. STEVENS, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

S-408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 401 of the Internal Revenue Code of 1954 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by redesignating subsection (j) as (k), and by inserting after subsection (i) the following new subsection:

"(j) CERTAIN EMPLOYEES.—

"(1) GENERAL RULE.—An individual who is not covered under a plan of any employer which meets the requirements of subsection (a) and, if applicable, subsection (d), may elect (at such time, in such manner, and subject to such conditions as the Secretary or his delegate shall prescribe by regulations) to become entitled to the benefits provided by this part to the same extent as if he were a self-employed individual.

"(2) EFFECT OF ELECTION.—For purposes of applying the provisions of this part to an individual who makes an election under paragraph (1), such individual shall be treated—

"(A) as an employee within the meaning of subsection (a) (1), as owning the entire interest in an unincorporated trade or business, and as his own employer; and

"(B) as receiving earned income in an amount equal to the compensation paid to

him by the employer described in paragraph (1) (A).

"(3) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subsection."

"(b) The amendments made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act."

S. 410—INTRODUCTION OF A BILL RELATING TO TRAVELTIME FOR FEDERAL EMPLOYEES

Mr. STEVENS. Mr. President, across the vast land area of my State are scattered a number of Federal installations. These include naval airbases and radar defense sites, civilian weather stations, flight service stations, and navigation aids. Employees on these sites share an isolation from normal transportation. There are no roads, no railways, and airlines are infrequently scheduled to allow these Federal employees access to the rest of the United States.

Along the outer edges of this country, these employees and their families may have to wait days until a plane arrives to take them to a city with regularly scheduled service to the "outside." As an example, Adak Naval Station on the Aleutian Islands employs 162 civilians. With their dependents, this group comprises 400 civilians who are isolated from regular travel connections.

Leave time is a treasure for these people. Under the current regulations, leave time of Federal employees is consumed even while they are awaiting a flight from their post.

Their return to the base is much more unpredictable. Precious amounts of time must be taken from their vacations to find a flight back to Adak. The bill which I am introducing will insure that Federal employees in all remote areas of the country will enjoy the full amount of their leave time away from their isolated outposts. Under this bill, leave will not include time lost in travel from posts more than 200 miles distant from a city or town with regular transportation access to the "outside."

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred.

The bill (S. 410), a bill to provide that certain traveltime of a Federal employee on annual leave, having a post of duty in a remote area, be excluded from the period of annual leave granted the employee, introduced by Mr. STEVENS, was received, read twice by its title and referred to the Committee on Post Office and Civil Service.

S. 411—INTRODUCTION OF A BILL RELATING TO OPEN-SEASON HEALTH INSURANCE

Mr. STEVENS. Mr. President, I am today introducing for appropriate ratification a bill which would assure Federal employees fair treatment under current health insurance programs provided by the Federal Government.

My bill would require that any rate increase provided by a health insurance company offering protection to Federal

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ment employees would have to be announced at least 30 days before the period during which employees can change programs.

According to the Civil Service Commission in each of the last 5 years, four of the five health insurance programs available to Federal employees have increased their rates immediately following the close of the open selection period.

Another feature of this bill would require that an open period be held at least once every 2 years. Between March, 1966 and November 1969, Federal employees were unable to change their health insurance programs because no open period was provided.

I ask unanimous consent that this bill be printed in the Record immediately following my remarks.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 411) to amend the provisions of title 5, United States Code, relating to Federal employees health insurance plans; to require periodic open seasons and to require prior notice of changes of rates in such plans, introduced by Mr. STEVENS, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

S. 411

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8902 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(j) No rate charged under any health benefits plan described by section of 8903 of this title may be readjusted unless the readjustment is announced at least 30 days prior to the beginning of any time that all eligible employees and annuitants are allowed to enroll in, change their cover under, or transfer their enrollment under, such plans."

SEC. 2. Subsections (d) and (e) of section 8905 of title 5, United States Code, are amended to read as follows:

"(d) An employee or annuitant enrolled in a health benefits plan under this chapter may change his coverage or that of himself or members of his family—

"(1) by an application filed within 60 days after a change in family status;

"(2) at other times (which shall be not less frequently than once every 2 years) and under conditions prescribed by regulations of the Commission; or

"(3) under conditions prescribed by regulations of the Commission, at other times requested by carriers having at least 30 percent of all the employees and annuitants enrolled under all health benefits plans under this chapter.

"(e) An employee or annuitant may transfer his enrollment from a health benefits plan described by section 8903 of this title to another plan described by that section—

"(1) at the times (which shall be not less than once every 2 years) and under the conditions prescribed by regulations of the Commission; or

"(2) under conditions prescribed by the Commission, at other times requested by carriers having at least 30 percent of all the employees and annuitants enrolled under all health benefits plans under this chapter."

SEC. 3. The first sentence of section 8913 (b) of title 5, United States Code, is amended—

(1) by striking out "time" and inserting in lieu thereof "times"; and

(2) by inserting before the period at the end thereof a comma and the following: "except that the times so prescribed shall be not less than once every 2 years or shall be at other times requested by carriers having at least 30 percent of all the employees and annuitants enrolled under all health benefits plans under this chapter."

S. 412—INTRODUCTION OF A BILL TO PERMIT ALL COMPENSATION PAID AT REGULAR RATES TO CERTAIN EMPLOYEES OF THE ALASKA RAILROAD TO BE INCLUDED IN THE COMPUTATION OF THEIR CIVIL SERVICE RETIREMENT ANNUITIES

Mr. STEVENS. Mr. President, today I am introducing a bill that will allow all compensation at regular rates to be used in figuring civil service retirement annuities for trainmen and engineers of the Alaska Railroad.

Under the present method of civil service compensation, hours worked in excess of 40 hours per week are not subject pay for retirement purposes. However, the trainmen and engineers of the Alaska Railroad are paid under the mileage system in which a 12½-mile run equals 1 hour of pay.

Because of the system, the trainmen and engineers make comparable salary, but in many cases must work more than 40 hours a week to do so. By using the 40 hours to figure subject pay, for retirement purposes, these men are being deprived of their right to a proper retirement annuity.

Mr. President, my bill will rectify this situation and allow the trainmen and engineers to receive proper credit of their wages toward retirement benefits.

I ask unanimous consent that the bill be printed at this point in the Record.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 412) to permit all compensation paid at regular rates to certain employees of the Alaska Railroad to be included in the computation of their civil service retirement annuities, introduced by Mr. STEVENS, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

S. 412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (3) of section 8331 of title 5, United States Code, is amended—

(1) by striking out the word "and" at the end of subparagraph (B) (ii);

(2) by inserting the word "and" at the end of subparagraph (C);

(3) by inserting immediately after subparagraph (C) the following new subparagraph:

"(D) all compensation paid at straight time, regular rates and received by an employee of the Alaska Railroad who is paid under a dual system based on both hours and mileage; and

(4) by striking out the phrase "subparagraphs (B) and (C)" and inserting in lieu thereof the following: "subparagraphs (B), (C), and (D)."

S. 413—INTRODUCTION OF A BILL RELATING TO TIME SPENT IN TRAVEL STATUS BY FEDERAL EMPLOYEES

Mr. STEVENS. Mr. President, today am introducing a bill that will treat that time spent in travel status by a Federal employee as hours of employment.

Too often in the past a Federal employee has been required to travel, while on Government business, on his own time. Many instances are documented in which an employee is required to be in a distant city on a Monday morning, necessitating his traveling on Sunday and many times on Saturdays in order to make his business appointments.

In many areas, such as my home State of Alaska, it is difficult to arrange convenient travel schedules to allow travel during normal working hours. In these cases, in order to carry out his job responsibilities, the employee must travel on a weekend or after regularly designated working hours.

Mr. President, it seems to me to be inconsistent to require an employee to sacrifice his personal time, time that could be spent with his family and friends, in order to meet Federal employment commitments.

My bill will correct this glaring deficiency by counting that time spent in travel status, outside of normal working hours, as hours of employment.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record following these remarks.

The PRESIDING OFFICER (Mr. HUMPHREY). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 413) to provide that time spent by a Federal employee in a travel status shall be considered as hours of employment, introduced by Mr. STEVENS, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

S. 413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5542 (b) (2) of title 5, United States Code, is amended to read as follows:

"(2) time spent in a travel status away from the official duty station of an employee is hours of employment only if an employee is directed to undertake such travel as part of his employment responsibilities."

(b) The last sentence of section 5544 (a) of such title is amended to read as follows: "Time spent in a travel status away from the official duty station of an employee subject to this subsection is hours of work only if an employee is directed to undertake such travel as part of his employment responsibilities."

S. 423—INTRODUCTION OF A BILL RELATING TO LIMITATIONS ON FARM PAYMENTS

Mr. MCINTYRE. Mr. President, I introduce a bill to limit price support payments under our farm programs.

This bill would amend Public Law 91-524 to limit Federal payments to individual farm producers to \$10,000 per crop